

Monthly Operating Report (Amended)
ACCRUAL BASIS

CASE NAME:	German Pellets Texas, LLC
CASE NUMBER:	16-90127
JUDGE:	Bill Parker

UNITED STATES BANKRUPTCY COURT
NORTHERN & EASTERN DISTRICTS OF TEXAS


REGION 6

MONTHLY OPERATING REPORT (AMENDED)


MONTH ENDING: 31-Mar 2017
MONTH YEAR

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING MONTHLY OPERATING REPORT (ACCRUAL BASIS-1 THROUGH ACCRUAL BASIS-7) AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT, AND COMPLETE. HOWEVER, THESE ARE INTERNALLY PREPARED FINANCIAL STATEMENTS, THEY HAVE NOT BEEN BUT ARE CURRENTLY IN THE PROCESS OF BEING AUDITED BY AN EXTERNAL ACCOUNTING FIRM. ADDITIONALLY THE FINANCIAL INFORMATION PRESENTED IN THIS MONTHLY REPORT MAY NOT HAVE BEEN PREPARED IN ACCORDANCE WITH GAAP. DECLARATION OF THE PREPARER (OTHER THAN RESPONSIBLE PARTY) IS BASED ON ALL INFORMATION OF WHICH PREPARER HAS ANY KNOWLEDGE.

RESPONSIBLE PARTY:

	_____	_____	CRO
ORIGINAL SIGNATURE OF RESPONSIBLE PARTY			TITLE
Bryan M. Gaston	_____	29-Jun-17	_____
PRINTED NAME OF RESPONSIBLE PARTY		DATE	

PREPARER:

	_____	_____	CRO
ORIGINAL SIGNATURE OF PREPARER			TITLE
Bryan M. Gaston	_____	29-Jun-17	_____
PRINTED NAME OF PREPARER		DATE	

Monthly Operating Report (Amended)
ACCRUAL BASIS-1

CASE NAME:	German Pellets Texas, LLC
CASE NUMBER:	16-90127

COMPARATIVE BALANCE SHEET					
	SCHEDULE AMOUNT	January	February	March	
ASSETS					
1. UNRESTRICTED CASH	\$174,565	\$141,388	\$3,511,448	\$298,580	
2. RESTRICTED CASH	\$0	\$0	\$0	\$0	
3. TOTAL CASH ⁽¹⁾	\$174,565	\$141,388	\$3,511,448	\$298,580	
4. ACCOUNTS RECEIVABLE (GROSS) ⁽²⁾	\$48,725	\$39,315,553	\$35,941,548	\$40,907,526	
5. INVENTORY ⁽⁶⁾	\$3,143,777	\$5,507,550	\$7,819,651	\$4,887,555	
6. NOTES RECEIVABLE	\$0	\$0	\$0	\$0	
7. PREPAID EXPENSES	\$0	\$258,958	\$224,431	\$224,431	
8.	\$6,797,893	\$6,797,893	\$6,797,893	\$6,797,893	
9. TOTAL CURRENT ASSETS	\$10,164,960	\$52,021,342	\$54,294,972	\$53,115,985	
10. PROPERTY, PLANT & EQUIPMENT	\$955,733	\$3,617,079	\$3,617,079	\$3,617,079	
11. LESS: ACCUMULATED DEPRECIATION/DEPLETION	\$0	(\$2,607,320)	(\$2,663,551)	(\$2,719,781)	
12. NET PROPERTY, PLANT & EQUIPMENT	\$955,733	\$1,009,760	\$953,529	\$897,298	
13. DUE FROM INSIDERS	\$0	\$0	\$0	\$0	
14. OTHER ASSETS - NET OF AMORTIZATION (ATTACH LIST)	\$0	\$0	\$0	\$0	
15. OTHER (ATTACH LIST) ⁽¹⁾	\$863,580	\$631,959	\$631,959	\$1,397,159	
16. TOTAL ASSETS	\$11,984,273	\$53,663,061	\$55,880,460	\$55,410,443	
POSTPETITION LIABILITIES					
17. ACCOUNTS PAYABLE		\$34,891,908	\$37,151,054	\$37,373,919	
18. TAXES PAYABLE		\$0	\$0	\$0	
19. NOTES PAYABLE		\$0	\$0	\$0	
20. PROFESSIONAL FEES ^(3a)		\$1,147,516	\$1,084,969	\$1,395,127	
21. SECURED DEBT ^(3b)		\$0	\$0	\$0	
22. OTHER (ATTACH LIST) ⁽⁵⁾		\$22,598,002	\$24,318,802	\$26,014,667	
23. TOTAL POSTPETITION LIABILITIES		\$58,637,426	\$62,554,825	\$64,783,713	
PREPETITION LIABILITIES					
24. SECURED DEBT ⁽⁴⁾	\$185,510,697	\$0	\$0	\$0	
25. PRIORITY DEBT	\$0	\$0	\$0	\$0	
26. UNSECURED DEBT	\$4,343,757	\$2,016,360	\$2,016,360	\$2,016,360	
27. OTHER (ATTACH LIST) ⁽⁵⁾	\$0	\$54,532,767	\$54,532,767	\$54,532,767	
28. TOTAL PREPETITION LIABILITIES	\$189,854,454	\$56,549,127	\$56,549,127	\$56,549,127	
29. TOTAL LIABILITIES	\$189,854,454	\$115,186,552	\$119,103,951	\$121,332,839	
EQUITY					
30. PREPETITION OWNERS' EQUITY		(\$5,593,089)	(\$5,593,088)	(\$5,593,087)	
31. POSTPETITION CUMULATIVE PROFIT OR (LOSS)		(30,881,175)	(32,581,175)	(35,092,821)	
32. DIRECT CHARGES TO EQUITY (ATTACH EXPLANATION)		(25,049,228)	(25,049,228)	(25,236,489)	
33. TOTAL EQUITY		(\$61,523,491)	(\$63,223,492)	(\$65,922,397)	
34. TOTAL LIABILITIES & OWNERS' EQUITY		\$53,663,061	\$55,880,460	\$55,410,443	

Previously published (Total Assets/Total Liabilities & Equity)

\$53,663,061

\$55,880,460

Difference

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Note: A financial statement audit is in process to provide an opinion as to whether the Debtors' financial statements are materially prepared in accordance with GAAP. As of the date of these MORs, the audit has resulted in NON-CASH adjustments to the Debtors' balance sheet and income statements for previously published months of November and December 2016. Once complete the audit could result in further adjustments.

Monthly Operating Report (Amended)
ACCRUAL BASIS-1

CASE NAME:	German Pellets Texas, LLC
CASE NUMBER:	16-90127

BALANCE SHEET ACCOUNT ANALYSIS

- (1) March 2017 includes a payment of \$765K as an advance deposit toward the repair and replacement of the Debtor's loading equipment damaged in the fire that occurred on February 27, 2017, as discussed in FN (5) of the March income statement footnotes on page 1.1.
- (2) Includes intercompany amounts owed from co-debtor and other related parties as well as third party receivables.
- (3) Account balance is comprised entirely of a promissory note owed from affiliated debtor TPI for sale of real property. Additionally the \$6.8 mil is included in Gross AR on Page 4
- (3a) Approximately \$5.0 mil of professional fees have been incurred inception to date across both TPI and GPTX. Amounts presented as payable on the balance sheet are not proper accruals but rather actual invoices recorded into the debtors' books and records regardless of the period to which the fees relate. See Page 6 for additional detail
- (3b) Debtor is a co-borrower under a \$15.645 mil post petition DIP loan agreement. The DIP loan balance at March 31, 2017 was \$15.2 mil and \$13.6 at the end of each of Jan and Feb 2017. The funds drawn on the DIP loan are presented on affiliated Debtor TPI's books and records.
- (4) GPTX is not an obligor or co-borrower on pre-petition bond debt. Schedules to be amended accordingly as required.
- (5) The implementation of a new accounting system has allowed for improved ability to differentiate between pre and post petition intercompany accounts payable. Beginning in Oct and continued in Nov the entire amount of "other" accounts payable represents the monthly accumulation of a \$1.7 mil/mon "Borrowing Charge" assessed by affiliate TPI to debtor GPTX, LLC
- (6) Reserved

PROFIT & LOSS ACCOUNT ANALYSIS

- (1) GPTX's only revenue is through intercompany sales to affiliated debtor TPI. Contracts between the parties are structured to result in GPTX being a pass through, breakeven entity. Only non passed through expense beginning Oct is the \$1.7 mil borrowing expense assessed on GPTX by affiliate debtor TPI.
- (1a) GPTX, LLC is not an obligor or co-borrower on pre-petition bond debt owed by TPI. Company will amend schedules accordingly as required.
- (1b) \$1.7 mil of amount presented represents non-cash "borrowing charges" accrued for affiliate debtor TPI's interest on debt.
- (2) \$4.8 mil in total, aggregate professional fees for both GPTX and its affiliate debtor TPI have been incurred from inception of the case through March 2017. These fees have not been properly accrued on the debtor's books and records. Accordingly, amounts shown represent when professional invoices were actually received and recorded on the debtor's books and records. The debtors are incurring approximately \$500,000 per month in total professional fees. GPTX has paid all professional fees incurred for both itself and its affiliate debtor TPI. See Page 6 for a further breakdown by professional.
- (3) Represents management service fees due to German Pellets GmbH.
- (4) Represents insurance recoveries received in December and February for claims made with respect to tornado damage incurred in August.
- (5) Represents costs incurred in March 2017 associated with the removal of damaged pellets in connection with a fire that occurred when loading equipment caught fire while loading pellets on a merchant vessel at the Debtor's facilities at the port of Port Arthur, Texas on February 27, 2017.

Monthly Operating Report (Amended)
ACCRUAL BASIS-2

CASE NAME:	German Pellets Texas, LLC
CASE NUMBER:	16-90127

INCOME STATEMENT	January	February	March
REVENUES			
1. GROSS REVENUES ⁽¹⁾	8,592,828	493,966	7,713,057
2. LESS: RETURNS & DISCOUNTS	\$0	\$0	\$0
3. NET REVENUE	\$8,592,828	\$493,966	\$7,713,057
COST OF GOODS SOLD			
4. MATERIAL	\$6,029,918	\$261,773	\$5,933,839
5. DIRECT LABOR	\$0	\$0	\$0
6. DIRECT OVERHEAD	\$0	\$0	\$0
7. TOTAL COST OF GOODS SOLD	\$6,029,918	\$261,773	\$5,933,839
8. GROSS PROFIT	\$2,562,909	\$232,193	\$1,779,218
OPERATING EXPENSES			
9. OFFICER / INSIDER COMPENSATION ⁽³⁾	\$94,393	\$43,896	\$78,324
10. SELLING & MARKETING	\$0	\$0	\$0
11. GENERAL & ADMINISTRATIVE	\$1,732,983	\$1,327,271	\$1,379,943
12. RENT & LEASE	\$61,771	\$62,802	\$80,358
13. OTHER (ATTACH LIST)	\$0	\$0	\$0
14. TOTAL OPERATING EXPENSES	\$1,889,147	\$1,433,969	\$1,538,624
15. INCOME BEFORE NON-OPERATING INCOME & EXPENSE	\$673,763	(\$1,201,777)	\$240,593
OTHER INCOME & EXPENSES			
16. NON-OPERATING INCOME (ATTACH LIST) ⁽⁴⁾	\$0	(\$1,632,649)	\$0
17. NON-OPERATING EXPENSE (ATTACH LIST) ⁽⁵⁾	\$0	\$0	\$815,171
18. INTEREST ^(1a)	(\$13,029)	(\$13,029)	(\$13,029)
19. DEPRECIATION / DEPLETION	\$56,231	\$56,231	\$56,231
20. AMORTIZATION	\$0	\$0	\$0
21. OTHER (ATTACH LIST) ^(1b)	\$1,700,000	\$1,700,000	\$1,700,000
22. NET OTHER INCOME & EXPENSES	\$1,743,202	\$110,553	\$2,558,373
REORGANIZATION EXPENSES			
23. PROFESSIONAL FEES ⁽²⁾	\$213,202	\$387,671	\$193,866
24. U.S. TRUSTEE FEES	\$0	\$0	\$0
25. OTHER (ATTACH LIST)	\$0	\$0	\$0
26. TOTAL REORGANIZATION EXPENSES	\$213,202	\$387,671	\$193,866
27. INCOME TAX	\$0	\$0	\$0
28. NET PROFIT (LOSS)	(\$1,282,641)	(\$1,700,001)	(\$2,511,645)

Previously published Net Profit (Loss)

(1,362,212)

(\$1,700,001)

Difference

79,571

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Note: A financial statement audit is in process to provide an opinion as to whether the Debtors' financial statements are materially prepared in accordance with GAAP. As of the date of these MORs, the audit has resulted in NON-CASH adjustments to the Debtors' balance sheet and income statements for previously published months of November and December 2016. Once complete the audit could result in further adjustments

Monthly Operating Report (Amended)
ACCRUAL BASIS-3

CASE NAME:	German Pellets Texas, LLC
CASE NUMBER:	16-90127

CASH RECEIPTS AND DISBURSEMENTS	January	February	March
1. CASH - BEGINNING OF MONTH	\$ 623,241.3	\$ 141,388.2	\$ 3,511,447.8
RECEIPTS FROM OPERATIONS			
2. CASH SALES	-	-	-
COLLECTION OF ACCOUNTS RECEIVABLE			
3. PREPETITION	-	-	-
4. POSTPETITION ⁽⁵⁾	-	-	219,242.0
5. TOTAL OPERATING RECEIPTS	-	-	219,242.0
NON-OPERATING RECEIPTS			
6. LOANS & ADVANCES (ATTACH LIST) ⁽⁶⁾	3,598,202.8	4,481,000.0	2,660,309.0
7. SALE OF ASSETS	-	-	-
8. OTHER ⁽¹⁾⁽⁷⁾	28,801.2	1,656,723.4	-
9. TOTAL NON-OPERATING RECEIPTS	3,627,004.0	6,137,723.4	2,660,309.0
10. TOTAL RECEIPTS	3,627,004.0	6,137,723.4	2,879,551.0
11. TOTAL CASH AVAILABLE	\$ 4,250,245.3	\$ 6,279,111.6	\$ 6,390,998.8
OPERATING DISBURSEMENTS			
12. NET PAYROLL	\$ 391,013.4	\$ 383,293.0	\$ 388,176.1
13. PAYROLL TAXES PAID	125,440.9	104,650.0	104,650.0
14. SALES, USE & OTHER TAXES PAID	-	-	-
15. SECURED / RENTAL / LEASES	-	-	-
16. UTILITIES	870,916.6	75,554.6	814,900.0
17. INSURANCE	294,376.4	79,007.8	47,690.8
18. INVENTORY PURCHASES ⁽⁵⁾	665,811.3	267,153.1	3,173,214.0
19. VEHICLE EXPENSES	164,484.0	187,635.1	176,248.1
20. TRAVEL	-	-	-
21. ENTERTAINMENT	-	-	-
22. REPAIRS & MAINTENANCE	239,269.2	322,764.5	244,371.4
23. SUPPLIES	-	-	-
24. ADVERTISING	-	-	-
25. OTHER ⁽³⁾⁽⁸⁾	766,942.4	1,338,799.0	1,134,361.7
26. TOTAL OPERATING DISBURSEMENTS	3,518,254.1	2,758,857.0	6,083,612.0
REORGANIZATION EXPENSES			
27. PROFESSIONAL FEES ⁽⁴⁾	550,605.4	8,806.8	8,806.6
28. U.S. TRUSTEE FEES	39,997.3	-	-
29. OTHER (ATTACH LIST) ⁽²⁾	-	-	-
30. TOTAL REORGANIZATION EXPENSES	590,602.7	8,806.8	8,806.6
31. TOTAL DISBURSEMENTS	4,108,856.8	2,767,663.8	6,092,418.6
32. NET CASH FLOW	(481,852.7)	3,370,059.6	(3,212,867.6)
33. CASH - END OF MONTH	\$ 141,388.6	\$ 3,511,447.8	\$ 298,580.2

Previously published Ending Cash Balances	\$ 291,372.6
Difference	\$ (149,984.0)

Note: A financial statement audit is in process to provide an opinion as to whether the Debtors' financial statements are materially prepared in accordance with GAAP. As of the date of these MORs, the audit has resulted in NON-CASH adjustments to the Debtors' balance sheet and income statements for previously published months of November and December 2016. Once complete the audit could result in further adjustments.

⁽¹⁾ Represents receipts from affiliated debtor GPLA Case No 16-80162 for monthly shared services settlement arrangement covering vehicle usage and health insurance reimbursement.

⁽²⁾ In September and October GPTX paid interest on pre-petition bonds on behalf of affiliate debtor TPI. This occurred only due to treasury and cash management setup issues. Only TPI is a borrower on this debt. TPI paid this interest directly in November and will pay directly each month going forward.

⁽³⁾ Includes MSA fees of \$94.4k and \$43.9k for Jan and Feb, respectively, to debtor affiliate German Pellets GmbH as well as other small dollar non-recurring operational expenses.

⁽⁴⁾ See Page 6 for a detailed breakdown of fees paid by professional.

⁽⁵⁾ Represent amounts paid to affiliate GPLA for pellets under court authorized pellet purchase agreement

⁽⁶⁾ Loans and advances represent transfers received from affiliate debtor TPI to fund GPTX operations per pre-petition intercompany contracts. The new accounting system implementation in October 2016, has allowed the debtor to better differentiate between pre and postpetition receipt activity. Amounts previously classified as advances have been presented as collection of post petition receipts. Specifically, \$1.23 mil represents transfer from affiliate debtor TPI is reimbursement for prior month adequate assurance debt service payment made by GPTX on behalf of TPI. Also, see FN 3b on page 2 concerning the DIP loan.

⁽⁷⁾ Represents insurance recoveries received in December and February for claims made with respect to storm and wind damage incurred in August 2016.

⁽⁸⁾ March 2017 includes a payment of \$765K as an advance deposit toward the repair and replacement of the Debtor's loading equipment damaged in the fire that occurred on February 27, 2017, as discussed in FN (5) in the March income statement footnotes on page 1.1.

Monthly Operating Report (Amended)
ACCRUAL BASIS-4

CASE NAME:	German Pellets Texas, LLC
CASE NUMBER:	16-90127

ACCOUNTS RECEIVABLE AGING	SCHEDULE AMOUNT	January	February	March
1. 0-30	-	3,982,975.6	5,258,167.6	5,137,777.6
2. 31-60	-	1,699,801.2	44,932.8	4,860,052.4
3. 61-90	-	7,938,961.0	6,416,260.4	44,932.8
4. 91+	27,315,389.2	40,639,597.1	31,020,080.6	37,662,656.5
5. TOTAL ACCOUNTS RECEIVABLE	27,315,389.2	54,261,334.9	42,739,441.3	47,705,419.3
6. AMOUNT CONSIDERED UNCOLLECTIBLE	27,266,663.7	22,129,623.7	22,129,623.7	22,129,623.7
7. ACCOUNTS RECEIVABLE (NET) ⁽²⁾	48,725.5	32,131,711.2	20,609,817.7	25,575,795.7

AGING OF POSTPETITION TAXES AND PAYABLES			MONTH: 31-Mar 2017		
TAXES PAYABLE	0-30 DAYS	31-60 DAYS	61-90 DAYS	91+ DAYS	TOTAL
1. FEDERAL					\$0
2. STATE					\$0
3. LOCAL					\$0
4. OTHER (ATTACH LIST)					\$0
5. TOTAL TAXES PAYABLE	\$0	\$0	\$0	\$0	\$0
6. ACCOUNTS PAYABLE ⁽²⁾	\$5,514,974	\$4,929,404	\$3,318,384	\$24,996,990	\$38,759,752

STATUS OF POSTPETITION TAXES		MONTH: 31-Mar 2017		
	BEGINNING TAX LIABILITY	AMOUNT WITHHELD AND OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY
FEDERAL ⁽¹⁾				
1. WITHHOLDING				\$0
2. FICA-EMPLOYEE	\$ -	\$ -	\$ -	\$ -
3. FICA-EMPLOYER	\$ -	\$ -	\$ -	\$ -
4. UNEMPLOYMENT	\$ -	\$ -	\$ -	\$ -
5. INCOME	\$ -	\$ -	\$ -	\$ -
6. OTHER (ATTACH LIST)	\$ -	\$ -	\$ -	\$ -
7. TOTAL FEDERAL TAXES	\$ -	\$ -	\$ -	\$ -
STATE AND LOCAL				
8. WITHHOLDING	\$ -	\$ -	\$ -	\$ -
9. SALES	\$ -	\$ -	\$ -	\$ -
10. EXCISE	\$ -	\$ -	\$ -	\$ -
11. UNEMPLOYMENT	\$ -	\$ -	\$ -	\$ -
12. REAL PROPERTY ^(1a)	\$ 63,167	\$ -	\$ 63,167	\$ -
13. PERSONAL PROPERTY ^(1a)	\$ -	\$ -	\$ -	\$ -
14. OTHER (ATTACH LIST)	\$ -	\$ -	\$ -	\$ -
15. TOTAL STATE & LOCAL	\$63,167	\$0	\$63,167	\$0
16. TOTAL TAXES	\$63,167	\$0	\$63,167	\$0

⁽¹⁾ All payroll taxes are funded to ADP bi-weekly with each payroll. ADP in turn remits funds to the IRS and applicable state agencies. .

^(1a) In March 2017, Debtor paid property taxes of \$63,167, including penalties, due to Jefferson and Tyler counties for 2016

⁽²⁾ Represent "gross" amounts including amounts owed to co-debtor TPI (i.e. net AR and AP between debtors GPTX to TPI has not been setoff). At Feb 28, 2017 the total AR owed to GPTX, LLC from TPI was \$35.2 mil, total AP owed by GPTX, LLC to TPI was \$29.1mil.

Monthly Operating Report (Amended)

ACCRUAL BASIS-5

CASE NAME:	German Pellets Texas, LLC
CASE NUMBER:	16-90127

MONTH: 31-Mar 2017

BANK RECONCILIATIONS	Account #1	Account #2	Account #3	Account #4	
A. BANK:	Citizens State Bank	Citizens State Bank	Wells Fargo Bank NA	Wells Fargo Bank NA	TOTAL
B. ACCOUNT NUMBER:	4079	4183	0609	0617	
C. PURPOSE (TYPE):	chk acct (closed)	chk acct (closed)	checking account	checking account	
1. BALANCE PER BANK STATEMENT			\$783,488	\$4,636	\$788,124
2. ADD: TOTAL DEPOSITS NOT CREDITED			\$0	\$0	\$0
3. SUBTRACT: OUTSTANDING CHECKS			(\$490,653)	\$0	(\$490,653)
4. OTHER RECONCILING ITEMS ⁽¹⁾			\$0	\$0	\$0
5. MONTH END BALANCE PER BOOKS			\$292,834	\$4,636	\$297,471
6. NUMBER OF LAST CHECK WRITTEN ⁽²⁾			1430	N/A	

INVESTMENT ACCOUNTS					
BANK, ACCOUNT NAME & NUMBER	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE	
7.					
8.					
9.					
10.					
11. TOTAL INVESTMENTS			\$0		\$0

CASH		
12. CURRENCY ON HAND		\$1,110
13. TOTAL CASH - END OF MONTH		\$298,580

⁽¹⁾ Reserved⁽²⁾ Historically, the Debtor had not issued checks. All disbursements were cash, interbank transfers, wire transfers, ACH, or similar. Debtor opened new Wells Fargo Bank accounts and, in August, closed its CSB accounts. Additionally, the debtor implemented a new accounting system implementation in Oct, the debtor now issues checks for select disbursements

Monthly Operating Report (Amended)
ACCRUAL BASIS-6

CASE NAME:	German Pellets Texas, LLC
CASE NUMBER:	16-90127

MONTH: 31-Mar 2017

PAYMENTS TO INSIDERS AND PROFESSIONALS

INSIDERS ⁽¹⁾				
NAME	TYPE OF PAYMENT	AMOUNT PAID	INCURRED & UNPAID (4)	TOTAL PAID TO DATE
1. German Pellets GmbH	MSA	\$76,393	\$27,800	\$1,261,877
2.				
3.				
4.				
5.				
6. TOTAL PAYMENTS TO INSIDERS		\$76,393	\$27,800	\$1,261,877

PROFESSIONALS ⁽²⁾					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID
1. Locke Lord	June 17, 2016	-	\$ -	\$ 1,049,786.4	\$ 424,507.7
2. Opportune	May 24, 2016	-	-	1,580,304.5	\$ 582,914.2
3. Searcy & Searcy	May 20, 2016	-	8,806.8	106,458.3	32,572.6
4. Ireland, Carroll & Kelley	June 24, 2016	-	-	121,375.9	36,824.5
5. Guggenheim	July 28, 2016	-	-	552,616.6	318,308.0
6. TOTAL PAYMENTS TO PROFESSIONALS		\$ -	\$ 8,806.8	\$ 3,410,541.5	\$ 1,395,127.0

POSTPETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS ⁽³⁾

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENTS DUE	AMOUNTS PAID DURING MONTH	TOTAL UNPAID POSTPETITION
1. UMB Bank	\$0	\$0	\$0
2.			
3.			
4.			
5.			
6. TOTAL	\$0	\$0	\$0

⁽¹⁾ Paid pursuant to court orders dockets 147, 178, and 234

⁽²⁾ See FN 3a page 1 Balance Sheet

⁽³⁾ Not applicable, only affiliate debtor TPI is borrower on pre-petition bond debt. Due to treasury and banking limitations early the case, debtor GPTX made interest payments on behalf of TPI for select months. TPI now pays interest directly.

⁽⁴⁾ \$27,800 disputed

Monthly Operating Report (Amended)
ACCRUAL BASIS-7

CASE NAME:	German Pellets Texas, LLC
CASE NUMBER:	16-90127

MONTH: 31-Mar 2017

QUESTIONNAIRE ⁽⁸⁾

	YES	NO
1. HAVE ANY ASSETS BEEN SOLD OR TRANSFERRED OUTSIDE THE NORMAL COURSE OF BUSINESS THIS REPORTING PERIOD?		X
2. HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT?		X
3. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES? ⁽¹⁾	X	
4. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD?		X
5. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY?	X	
6. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE?		X
7. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE?		X
8. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE? ⁽⁶⁾		X
9. ARE ANY OTHER POSTPETITION TAXES PAST DUE?		X
10. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT?		X
11. HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD?		X
12. ARE ANY WAGE PAYMENTS PAST DUE?		X

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "YES," PROVIDE A DETAILED EXPLANATION OF EACH ITEM. ATTACH ADDITIONAL SHEETS IF NECESSARY.

⁽¹⁾ Receivables owed by affiliate German Pellets Louisiana, LLC under pre-petition storage and handling agreement

⁽²⁾ All disbursements were originally made through Citizens State Bank accounts which were Debtor in Possession accounts; both CSB accounts were closed in August 2016. Two new Wells Fargo DIP accounts were established in early June 2016 to comply with UST requirements. All activity from July 2016 forward is expected to be through Wells Fargo DIP accounts.

⁽³⁾ There are various intercompany contracts between TPI and affiliated debtor GPTX, LLC Case No 16-90127. The contracts and the obligations under them have historically resulted in intercompany receivables and payables which are periodically adjusted for obligations owed between the parties. Additionally, TPI and affiliate GPTX are owed storage & handling fees from affiliate GPLA Case No 16-80163 under a pre-petition agreement

^{(4) & (11)} Pre-petition Federal Heavy Vehicle Use taxes of approximately \$13,000 were past due at the petition date. Debtor was unable to register its trucks with the state until paid. A motion was filed with Bankruptcy Court in June to authorize payment and payment was made in July.

⁽⁵⁾ Final DIP financing closed on June 17th resulting in additional funding of \$12.5 mil for total DIP financing of approx \$15.6 mil

⁽⁶⁾ In March 2017, Debtor paid property taxes of \$63,167, including penalties, due to Jefferson and Tyler counties for 2016.

INSURANCE

	YES	NO
1. ARE WORKER'S COMPENSATION, GENERAL LIABILITY AND OTHER NECESSARY INSURANCE COVERAGES IN EFFECT?	X	
2. ARE ALL PREMIUM PAYMENTS PAID CURRENT?	X	
3. PLEASE ITEMIZE POLICIES BELOW.		

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "NO," OR IF ANY POLICIES HAVE BEEN CANCELLED OR NOT RENEWED DURING THIS REPORTING PERIOD, PROVIDE AN EXPLANATION BELOW. ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSTALLMENT PAYMENTS

TYPE OF POLICY	CARRIER	PERIOD COVERED	PAYMENT AMOUNT & FREQUENCY
Inland Marine	Harford Fire Insurance Co.	7/1/2016 - 7/1/2017	\$ 20,922.00 25% down pmt/9 installments
Workers Compensation	Texas Mutual	7/1/2016 - 7/1/2017	\$ 284,926.00 15% down pmt/10 installments
Property	Lloyd's, et al.	3/31/2017 - 3/31/2018	\$ 1,657,212.00 annual
Wind/Hail*	Westchester Surplus Lines	7/1/2015 - 7/1/2016	\$ 179,396.00 annual
Wind/Hail*	James River Insurance Co.	7/1/2015 - 7/1/2016	\$ 66,093.00 annual
Wind/Hail*	Aspen Specialty Insurance Co.	7/1/2015 - 7/1/2016	\$ 65,569.00 annual
Auto Liability	Berkshire Hathaway Homestate	8/19/2016 - 8/19/17	\$ 161,820.00 annual
Employment Practices Liability	Chubb	12/16/2016 - 12/16/2017	\$ 5,961.00 annual
General Liability	Illinois National Insurance Co.	1/1/2017 - 1/1/2018	\$ 67,899.00 annual
Umbrella	Travelers	1/1/2017 - 1/1/2018	\$ 89,600.00 annual
Pollution Liability	AIG Specialty Insurance Company	5/11/15 - 5/11/18	\$ 76,445.00 annual
Directors & Officers	Endurance American Insurance Company	1/1/2017 - 1/1/2018	\$ 65,000.00 annual
Boiler and Machinery	Travelers Property Casualty Insurance Co.	3/31/2017 - 3/31/2018	\$ 81,742.00 10 equal payments

⁽¹⁾ *cancelled 3/31/2016 - added to property policy (Lloyd's, et al.)

⁽²⁾ GPTX only policy

⁽³⁾ Policy is with either GPTX or TPI with other party listed as named insured

⁽⁴⁾ Policy with GmbH but both GPTX and TPI (among other non-debtor parties) are listed as co-insured

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^{(1) & (4)}

⁽²⁾

⁽²⁾

^{(3) & (4)}

^{(2) & (4)}